

CONTRACT N62474-79-C-8105
REFUSE DISPOSAL SERVICE
PUGET SOUND NAVAL SHIPYARD
BREMERTON, WASHINGTON

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DEPARTMENT OF THE NAVV
WESTERN DIVISION
NAVAL FACILITIES ENGINEERING COMMAND
SAN BRUNO. CALIFORNIA 24066

DEPARTMENT OF THE NAVY

NEGOTIATED REFUSE DISPOSAL SERVICE CONTRACT

Puget Sound Naval Shipyard, Bremerton, Kitsap Washington (Premises to be served) (City) (County) (State)

Kitsap County Sanitary Landfill, P. O. Box 438, Bremerton, WA 98310 (Contractor's Address)

Premises are:

(X) Government Owned() Government Leased

Estimated annual cost hereunder:

\$135,600.

Bills will be rendered in quintuplicate to:

Commander (Code 421)

Puget Sound Naval Shipyard N6247479C8105/K002510605

Payments will be made by: Comptroller

Puget Sound Naval Shipyard Bremerton, Washington 98314

Communications: All communications and modifications regarding this

contract shall be addressed as follows:

Contractor: Kitsap County Sanitary Landfill

P. O. Box 438

Bremerton, Washington 98310

Government: Commanding Officer (Code 113)

Western Division

Naval Facilities Engineering Command .

P. O. Box 727

San Bruno, California 94066

This contract is negotiated pursuant to the authority of 10 U.S.C. 2304(a) (10)

Appropriations chargeable:

For recurring Billing Charges: Applicable funds will be cited on

invoices or delivery orders issued

against this contract.

THIS CONTRACT is entered into as of 14 SEP 1979 by and between the UNITED STATES OF AMERICA, Department of the Navy, hereinafter called the Government, represented by the Contracting Officer executing this contract, and Kitsap County Sanitary Landfill, P. O. Box 438, Bremerton, WA 98310.

- I. <u>SCOPE</u>. Subject to the terms and conditions hereinafter set forth, the Contractor shall sell and deliver to the Government and the Government shall purchase and receive from the Contractor refuse disposal service (hereinafter called service) requested by the Government from the Contractor at the premises to be serviced hereunder (hereinafter called the service location), in accordance with the General and Technical provisions and the Refuse Disposal Service Specifications attached hereto and made a part hereof.
- II. $\overline{\text{TERM}}$. This contract shall continue in effect until terminated at the option of the Government by the giving of written notice not less than thirty (30) days in advance of the effective date of termination.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written.

UNITED STATES OF AMERICA

BY Signature and date)

Kitsap County Sanitary Landfill, Inc.
(Name of Contractor)

BY Don	<i></i>	Limbur
	(Signature)	

J. W. COOK
Captain, CEC, USN
Acting Executive Officer
(Typed Name)

for Commander, Naval Facilities Engineering Command Contracting Officer

Donal	d G.	Lindgren	
(Typed	Lindgren Name)	

Title <u>President</u>

TECHNICAL AND GENERAL PROVISIONS FOR UTILITY SERVICE

I. TECHNICAL PROVISIONS

1. SERVICES TO BE RENDERED.

The Contractor shall furnish all plant, labor, supplies and equipment except as indicated herein and in the Specifications for Refuse Disposal, attached hereto and made a part hereof, necessary to dispose of refuse delivered to it from the Puget Sound Naval Shipyard, Bremerton, Washington.

II. GENERAL PROVISIONS

PAYMENT.

- (a) The Contractor shall be paid by the designated Disbursing Officer for service furnished hereunder at the rates specified in subparagraph 2.
- (b) Payments hereunder shall be contingent upon the availability of appropriations therefore, and shall not be made in advance of the service rendered.
- (c) All bills for service shall be paid without penalty or interest and the Government shall be entitled to any discounts customarily applicable to payment of bills by all customers of the Contractor.
- (d) Invoices for service rendered hereunder shall state the billing period, contract number, total cubic yards disposed, unit price, date and quantity of disposal and such other pertinent data as shall be required by the Government.
 - (e) The Contractor hereby declares that the rate is not in excess of the lowest rate now available to any existing or prospective customer under like conditions of service, and agrees that during the life of this contract the Government shall continue to be billed at the lowest applicable rate for similar conditions of service.

2. RATES AND CHARGES.

For all service furnished under this contract, the Government shall pay the Contractor the dumping fees as detailed in the Specifications for the disposal of refuse at the Contractor's dumping site, attached hereto and made a part hereof.

CHANGE OR RATES.

(a) At the request of either party to this contract with reasonable cause, the rates set forth herein shall be renegotiated and the new rates shall become effective as mutually agreed - provided that any rates so negotiated shall not be in excess of rates to any other customer of the Contractor under similar conditions of service. No increase shall be requested in the contract rate unless the Contractor has placed into effect a general rate increase to all of his customers under similar conditions of service. If the Contractor has placed into effect a general rate decrease, a corresponding decrease in the contract rate shall be made.

4. CHANGE IN VOLUME OR CHARACTER OF SERVICE.

The Contracting Officer shall give reasonable notice to the Contractor respecting any material changes anticipated in the volume or characteristics of the utility service required at the location.

5. CONTINUITY OF SERVICE AND CONSUMPTION.

The Contractor shall use reasonable diligence to provide a regular and uninterrupted supply of service at the service location, but shall not be liable to the Government for damages, breach of contract, or otherwise, for failure, suspension, diminution, or other variations of service occasioned by any cause beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, or failure on breakdown of disposal or other facilities.

CONTRACTOR'S FACILITIES.

The Contractor, at his expense, shall furnish, install, operate, and maintain all facilities required to furnish service hereunder to, and to measure the service at, the point of delivery specified in the Refuse Disposal Specifications. Title to all of these facilities shall remain in the Contractor's possession and he shall be responsible for all loss of or damage to those facilities except that arising out of the fault or negligence of the Government, its agents or its employees. All taxes and other charges in connection therewith, together with all liability arising out of the negligence of the Contractor in the construction, operation, or maintenance of these facilities, shall be assumed by the Contractor.

7. CONFLICTS.

To the extent of any inconsistency between the provisions of this contract, and the provisions of any schedule, rider, or exhibit incorporated in this contract by reference or otherwise, the provisions of the contract shall control.

8. ADDITIONAL GENERAL PROVISIONS (UTILITY SERVICE CONTRACTS).

All as attached hereto and made a part of Contract N62474-79-C-8105.

TECHNICAL SECTIONS

REQUIREMENTS

1. DISPOSAL SERVICE. The service shall consist of the disposal of all refuse by the Contractor after it has been delivered by the Government onto the Contractor's refuse disposal site.

2. DESCRIPTION OF REFUSE.

- a. The refuse shall essentially consist of industrial trash, timbers, and logs, sawdust, cellulose products, scrap metal in small amounts, glass and domestic-type garbage. No petroleum products, paints, toxic chemicals, volatiles, radiological contaminated matter, explosives, incendiary devices, or dead animals will be allowed.
- b. Quantities of pipe lagging (asbestos/fibrous glass) sealed in plastic bags and/or piping with lagging attached will be delivered to the disposal site in blue trailers. The contractor's disposal site representative will be notified as to the contents of the trailer so that appropriate disposal procedures can be implemented. A return receipt is mandatory.
- 3. ESTIMATED REQUIREMENTS.
 - a. THE ESTIMATED VOLUME OF THE REFUSE MATERIAL IS:

Daily Average		545	cubic	yards
Maximum Daily Average		600	cubic	yards
Annual Volume	٠.	135,000	cubic	yards

b. THE ESTIMATED MONTHLY VOLUME CLASSIFICATION OF REFUSE TO BE HANDLED IS:

Industrial Trash	7,500 cubic yards
Domestic-type Garbage*	200 cubic yards
Timbers, logs, lumber	800 cubic yards
Sawdust	500 cubic yards
Asbestos	1,000 cubic yards

*Small amounts of domestic-type garbage are included in plastic garbage sacks and the contents normally consist of bones, fruit rinds, egg shells and coffee grounds.

c. VARIANCE ADJUSTMENT. The Government is in no way obligated to use nor is it restricted to the above estimated service requirements which are based on normal operation of the Shipyard. Substantial fluctuation in the day-to-day amount of refuse can be expected owing to the inherent nature of Shipyard operations involving arrival and departure of ships. Payment will be made for the actual cubic yardage delivered to the Contractor's disposal site.

DESCRIPTION OF REFUSE DISPOSAL SERVICE.

- a. PUGET SOUND NAVAL SHIPYARD. The Government will collect all refuse within the boundaries of the Shipyard in 30-40 cubic yard gondola-type trailers and/or 53 cubic yard compactor-type trailers.
- b. DELIVERY OF THESE TRAILERS TO THE DISPOSAL SITE will be by Government vehicle. The trailers will be dumped at the disposal site at locations selected by the Contractor's representative. The operation of the disposal site is the complete responsibility of the Contractor.
- c. THE CONTRACTOR shall insure that all access roads to the disposal site and traffic areas at the disposal site are suitably maintained for safe travel and maneuvering of Government vehicles, without presenting a hazard to equipment or tires.
- 5. TRIP RECORD TICKETS. A Trip Record Ticket (see Appendix A) shall accompany each trailer load of refuse delivered to the disposal site. The ticket shall indicate the total number of cubic yards of refuse in the trailer. The ticket will be delivered to the Contractor's representative at the disposal site by the driver of the Government vehicle delivering the refuse. These tickets will provide the basis for monthly payment of services.

REFUSE DISPOSAL SERVICE SPECIFICATIONS

- 1. SPECIFIC PREMISES TO BE SERVED: Puget Sound Naval Shipyard, Bremerton, WA
- 2. POINT OF DELIVERY: The point of delivery of service shall be at the Kitsap County Sanitary Landfill, Inc. landfill site, Barney White Road, Kitsap County, WA.
- 3. DESCRIPTION OF SERVICE. The Contractor shall be responsible for all refuse delivered to the Contractor's landfill site by Government vehicles.
- 4. RATE SCHEDULE. The rates shown below will apply to the classes of refuse dumped at the Contractor's landfill site:

a. Industrial Refuse - \$/.60 per cubic yard, loose

" " - /.25 per cubic yard, compacted

b. Bagged Asbestos - 2.56 per cubic yard, loose

Material

- 5. MEASUREMENT AND BILLING. The measurement of the amount to be disposed will be determined at the Sanitary Landfill Site by the Contractor's authorized representative. The Contractor shall submit to the Naval Installation each calendar month, a properly certified invoice in quintuplicate, setting forth all charges coming due under the contract for the preceding month. Such billing shall show the quantity of refuse disposed and the date. Payment will be made at the rates specified in Paragraph 4 above.
- 6. CONTRACTOR FURNISHED EQUIPMENT. The Contractor shall at all times furnish and maintain sufficient equipment as necessary to perform the work of this contract. Such equipment shall be subject to the inspection and approval of the Officer in Charge prior to and during the life of the contract. Unless otherwise specified herein, the Contractor shall furnish all supplies, materials and equipment necessary for the performance of the work.
- 7. SCHEDULE OF WORK. Except as may otherwise be specified, all work shall be performed during regular working hours on regular working days. No work shall be scheduled or planned to be done on Saturday, Sunday and holidays unless otherwise specified or directed. If the Contractor desires to carry on work on Sunday, holidays or outside of the Station's regular working hours, he may submit application to the Contracting Officer. In no event shall the Contractor carry on work outside of regular working hours without prior approval.
- 8. CONTRACTOR CONFERENCE. Prior to commencing work, the Contractor shall meet in conference with the Contracting Officer, at a time to be specified, to discuss and develop mutual understandings relative to scheduling and administration of the work.

- 9. INSPECTION. Each phase of the services rendered is subject to Government inspection during the Contractor's operations and after completion of the tasks. Unsatisfactory work shall ordinarily be corrected for reinspection within the same working day or as a maximum within 24 hours. Consideration will be given for rework of items which will require additional time to re-perform upon the affirmative request of the Contractor to the Contracting Officer. In any event all costs associated with rework items are the responsibility of the Contractor.
- 10. ORDER OF PRECEDENCE. In the event of an inconsistency between the provisions of this solicitation, the inconsistency shall be resolved by giving precedence in the following order: (a) the Schedule (excluding the Specifications); (b) Terms and Conditions of the solicitation, if any; (c) General Provisions; (d) other provisions of the contract, when attached or incorporated by reference; and (e) the Specifications.
- 11. SUPERINTENDENCE BY CONTRACTOR. The Contractor shall give his personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the Contracting Officer, on the work at all times during progress, with authority to act for him. The Contractor's superintendent is responsible for maintaining and conducting the inspection system required by the Inspection of Services Clause of this contract, Section 00003 General Provisions Clause Number 4.
- 12. DELIVERY OF REFUSE. Refuse will be delivered to the disposal site from 0740 to 1620 daily, Monday through Friday, inclusively, during the life of this contract. Refuse will not be delivered on holidays.
- 13. INJURY CLAUSE. The Contractor shall indemnify and hold the Government harmless in connection with any liability which may result from injuries to or the death of any employees of the Contractor while they are doing work or any third party injury or death resulting from this work in accomplishment of this contract.
- 14. LIABILITY FOR GOVERNMENT-OWNED PROPERTY. The Contractor shall be held financially liable and responsible for any damage to Government property that is incurred due to his fault or negligence or the fault or negligence of his employees in the performance of this contract. Any damage so incurred shall immediately be reported to the Officer in Charge, giving a full detailed account as to the extent of the damage and the circumstances leading to such damage, including the time, date, place and name of the person(s) present when the damage occurred.
- 15. CONTRACTOR'S OFFICE. The Contractor shall maintain an office with a listed telephone, manned between the hours of 0740 and 1620 in order to provide a contact point for supervisory personnel and to receive or adjust complaints on performance of work.
- 16. RECOVERY OF MATERIALS. The Government reserves the right to recover materials, within a 48-hour period, which are mistakenly or improperly included in any of the refuse, garbage and trash hereunder.

17. COMPLIANCE WITH LAWS AND REGULATIONS.

- (a) The Contractor shall be responsible for the observance of all Federal, State and local laws, ordinances, statutes and the regulations pertaining to the disposal of garbage, refuse and trash. The Contractor shall provide to the Contracting Officer a copy of State and/or local permit or license which reflects such agencies approval and compliance with their solid waste disposal regulations. The permit or license and the location of the disposal area shall be provided prior to execution of the contract.
- (b) The Contractor and/or his personnel handling or disposing of any asbestos material shall handle or dispose of the asbestos in strict conformance with the appropriate paragraphs in Section 1910.1001 of the OSHA Standards or any successive regulation requirements.
- (c) In addition the Contractor shall certify to the Puget Sound Naval Shipyard, in writing, that he is in compliance with National Emission Standards for asbestos as promulgated by the Environmental Protection Agency, as well as any State, or local statutes or ordinances pertaining to the handling of asbestos.

Original: Contractor

Copy to NAVSHIPYD PUGET Codes 452, 420

(12-78)

ADDITIONAL GENERAL PROVISIONS (UTILITY SERVICE CONTRACT)

1. DEFINITIONS (1962 FEB)

As used throughout this contract, the following terms shall have the meanings set forth below:

- (a) The term "Head of the Agency" or "Secretary" means the Secretary, the Under Secretary, any Assistant Secretary, or any other head or assistant head of the executive or military department or other Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the Head of the Agency or the Secretary.
- (b) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.
- (c) Except as otherwise provided in this contract, the term "sub-contracts" includes purchase orders under this contract. (DAR 7-103.1)

2. ASSIGNMENT OF CLAIMS (1962 FEB)

- (a) Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. 203, 41 U.S.C. 15), if this contract provides for payments aggregating \$1,000 or more, claims for monies due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing.
- (b) In no event shall copies of this contract or any plans, specifications, or other similar documents relating to work under this contract, if marked "Top Secret," "Secret" or "Confidential," be furnished to any assignee of any claim arising under this contract or to any other person not entitled to receive the same. However, a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

During time of war or national emergency, add the following sentence to the end of paragraph (a):
"Unless otherwise provided in this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off." (DAR 7-103.8)

3. DISPUTES (1958 JAN)

- (a) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.
- (b) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (a) above: provided, that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.
- (c) The provisions of (a) above shall not apply to disputes which are subject to the jurisdiction of a Federal, State, or other appropriate regulatory body. The provisions of (a) above shall also be subject to the requirements of the law with respect to the rendering of utility services and the collection of regulated rates. (1968 SEP) (DAR 7-103.12)

4. OFFICIALS NOT TO BENEFIT (1949 JUL)

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit. (DAR 7-103.19)

5. COVENANT AGAINST CONTINGENT FEES (1958 JAN)

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

6. MILITARY SECURITY REQUIREMENTS (1971 APR)

- (a) The privisions of this clause shall apply to the extent that this contract involves access to information classified "Confidential," "Secret" or "Top Secret."
- (b) The Contractor shall comply with (i) the Security Agreement (DD Form 441), including the attached Department of Defense Industrial Security Mannual for Safeguarding Classified Information (DOD 5220.22-M); and (ii) any revisions thereto, notice of which has been furnished to the Contractor.
- (c) If, subsequent to the date of this contract, the security classification or security requirements under this contract are changed by the Government as provided in this clause and the security costs or time required for delivery under this contract are thereby increased or decreased, the contract price, delivery schedule, or both and any other provision of the contract that may be affected shall be subject to an equitable adjustment by reason of such increased or decreased costs. Any equitable adjustment shall be accomplished in the same manner as if such changes were directed under the "Changes" clause of this contract.
- (d) The Contractor agrees to insert in all subcontracts hereunder which involve access to classified information, provisions which shall conform substantially to the language of this clause, including this paragraph (d) but excluding the last sentence of paragraph (c) of this clause. (DAR 7-104.12)

7. EXAMINATION OF RECORDS BY COMPTROLLER GENERAL (1975 JUN)

- (a) This clause is applicable if the amount of this contract exceeds \$10,000 and was entered into by means of negotiation, including small business restricted advertising, but is not applicable if this contract was entered into by means of formal advertising.
- (b) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract or such lesser time specified in either Appendix M of the Armed Services Procurement Regulation or the Federal Procurement Regulations Part 1-20, as appropriate, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.
- (c) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract or such lesser time specified in either

Appendix M of the Armed Services Procurement Regulation or the Federal Procurement Regulations Part 1-20, as appropriate, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding \$10,000 (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

(d) The periods of access and examination described in (b) and (c) above for records which relate to (i) appeals under the "Disputes" clause of this contract, (ii) litigation or the settlement of claims arising out of the performance of this contract, or (iii) costs and expenses of this contract as to which exception has been taken by the Comptroller General or any of his duly authorized representatives, shall continue until such appeals, litigation, claims or exceptions have been disposed of. (DAR 7-104.15)

8. GRATUITIES (1952 MAR)

- (a) The Government may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this contract if it is found, after notice and hearing, by the Secretary or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such contract; provided, that the existence of the facts upon which the Secretary or his duly authorized representative makes such findings shall be in issue and may be reviewed in any competent court.
- (b) In the event this contract is terminated as provided in paragraph (a) hereof, the Government shall be entitled (i) to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor, and (ii) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Secretary or his duly authorized representative) which shall be not less than three, or more than ten times the costs incurred by the Contractor in providing any such gratuities to any such officer or employee.
- (c) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract. (DAR 7-104.16)

9. BUY AMERICAN ACT (1964 MAY)

- (a) In acquiring end products, the Buy American Act (41 U.S.C. 10a-d) provides that the Government give preference to domestic source end products. For the purpose of this clause:
- (i) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;
- (ii) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and
- (iii) a "domestic source end product" means (A) an unmanufactured end product which has been mined or produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States or Canada exceeds 50 percent of the cost of all its components. For the purposes of this (a)(iii)(B), components of foreign origin of the same type or kind as the products referred to in (b)(ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.
- (b) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:
 - (i) which are for use outside the Unites States;
- (ii) which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;
- (iii) as to which the Secretary determines the domestic preference to be inconsistent with the public interest; or
- (iv) as to which the Secretary determines the cost to the Government to be reasonable. (DAR 7-104.3)

10. CONVICT LABOR (1975 OCT)

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11755, December 29, 1973. (DAR 7-104.17)

11. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION (1971 NOV)

This contract, to the extent that it is of a character specified in the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), is subject to the following provisions and to all other applicable provisions and exceptions of such Act and the regulations of the Secretary of Labor thereunder.

- (a) Overtime requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act, unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of eight hours in any calendar day, or in excess of forty hours in such workweek, whichever is the greater number of overtime hours.
- (b) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions of paragraph (a), the Contractor and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph (a) in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed on such work in excess of eight hours, or in excess of his standard workweek of forty hours without payment of the overtime wages required by paragraph (a).
- (c) Withholding for unpaid wages and liquidated damages. The Contracting Officer may withhold from the Government Prime Contractor, from any monies payable on account of work performed by the Contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions of paragraph (b).
- (d) Subcontracts. The Contractor shall insert paragraphs (a) through (d) of this clause in all subcontracts, and shall require their inclusion in all subcontracts of any tier.
- (e) Records. The Contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for three years from the completion of the Contract. (DAR 7-103.16)

12. EQUAL OPPORTUNITY (1978 SEP)

(If, during any twelve (12) month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded Federal contracts and/or subcontracts which have an aggregate value in excess of \$10,000, the Contractor shall comply with (1) through (7) below. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.)

During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed,

and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising: layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.

- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the contractor's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- (6) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, or by rules, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - (7) The Contractor will include the provisions of Paragraphs (1)

through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, ligitation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States. (DAR 7-103.18)

13. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (1976 JUL)

- (a) The Contractor will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam era in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination based upon their disability or veterans' status in all employment practices such as the following employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- (b) The Contractor agrees that all suitable employment openings of the Contractor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the Contractor other than the one wherein the contract is being performed but excluding those of independently operated corporate affiliates, shall be listed at an appropriate local office of the State employment service system wherein the opening occurs. The Contractor further agrees to provide such reports to such local office regarding employment openings and hires as may be required. State and local government agencies holding Federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the State employment service, but are not required to provide those reports set forth in paragraphs (d) and (e).
- (c) Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source or effort and shall involve the normal obligations which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the Contractor from any requirements in Executive Orders or regulations regarding nondiscrimination in employment.

- The reports required by paragraph (b) of this clause shall include, but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where the Contractor has more than one hiring location in a State, with the central office of that State employment service. Such reports shall indicate for each hiring location (i) the number of individuals hired during the reporting period, (ii) the number of nondisabled veterans of the Vietnam era hired, (iii) the number of disabled veterns of the Vietnam era hired, and (iv) the total number of disabled veterans hired. The reports should include covered veterans hired for on-the-job training under 38 U.S.C. 1787. The Contractor shall submit a report within thirty (30) days after the end of each reporting period wherein any performance is made on this contract identifying data for each hiring location. The Contractor shall maintain at each hiring location copies of the reports submitted until the expiration of one year after final payment under the contract, during which time these reports and related documentation shall be made available, upon request, for examination by any authorized representatives of the Contracting Officer or of the Secretary of Labor. Documentation would include personnel records respecting job openings, recruitment and placement.
- (e) Whenever the Contractor becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. As long as the Contractor is contractually bound to these provisions and has so advised the State system, there is no need to advise the State system of subsequent contracts. The Contractor may advise the State system when it is no longer bound by this contract clause.
- (f) This clause does not apply to the listing of employment openings which occur and are filled outside of the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.
- (g) The provisions of paragraphs (b), (c), (d) and (e) of this clause do not apply to openings which the Contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

(h) As used in this clause:

(1) ("All suitable employment openings" includes, but is not limited to, openings which occur in the following job categories: production and nonproduction; plant and office; laborers and mechanics; supervisory and nonsupervisory; technical; and executive, administrative, and professional openings as are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than three (3) days duration, and part-time employment. It does not include openings which the Contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement nor openings in an educational

9 of 17

institution which are restricted to students of that institution. Under the most compelling circumstances an employment opening may not be suitable for listing, including such situations where the needs of the Government cannot reasonably be otherwise supplied, where listing would be contrary to national security, or where the requirement of listing would otherwise not be for the best interest of the Government.

- (ii) "Appropriate office of the state employment service system" means the local office of the Federal-State national system of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.
- (iii) "Openings which the Contractor proposes to fill from within his own organization" means employment openings for which no consideration
 will be given to persons outside the Contractor's organization (including
 any affiliates, subsidiaries, and the parent companies) and includes any
 openings which the Contractor proposes to fill from regularly established
 "recall" lists.
- (iv) "Openings which the Contractor proposes to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings which the Contractor proposes to fill from union halls, which is part of the customary and traditional hiring relationship which exists between the Contractor and representatives of his employees.
- (i) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans' Readjustment Assistance Act, hereinafter referred to as the "Act" (38 U.S.C. 2012).
- (j) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- (k) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the Contracting Officer. Such notice shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era for employment, and the rights of applicants and employees.
- (1) The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of the Act, and is committed to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era.
- (m) The Contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to

the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance. (DAR 7-103.27)

14. AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (MAY 1976)

- (a) The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon either physical or mental handicap in all employment practices such as the following: Employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- (b) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- (c) In the event of the Contractor's non-compliance with the requirements of this clause, action for non-compliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- (d) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the Contracting Officer. Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- (e) The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
- (f) The Contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office

of Federal Contract Compliance Programs may direct to enforce such provisions, including action for non-compliance. (DAR 7-103.28)

15. CLEAN AIR AND WATER (1975 OCT)

(Applicable only if the contract exceeds \$100,000, or the Contracting Officer has determined that orders under an indefinite quantity contract in any one year will exceed \$100,000, or a facility to be used has been the subject of a conviction under the Clean Air Act (42 U.S.C. 1857c-8(c), or the Federal Water Pollution Control Act (33 U.S.C. 1319(c)) and is listed by EPA, or the contract is not otherwise exempt).

(a) The Contractor agrees as follows:

- (i) to comply with the requirements of section 114 of the Clean Air Act, as amended (42 U.S.C. 1857, et seq., as amended by Public Law 91-604) and section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251, as amended by Public Law 92-500), respectively, relating to inspection, monitoring, entry, report and information, as well as other requirements specified in section 114 and section 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder before the award of this contract;
- (ii) that no portion of the work required by this prime contract will be performed in a facility listed on the Environmental Protection Agency List of Violating Facilities on the date this contract was awarded unless and until the EPA eliminates the name of such facility or facilities from such listing;
- (iii) to use his best efforts to comply with clean air standards and clean water standards at the facilities in which the contract is being performed; and
- (iv) to insert the substance of the provisions of this clause in any non-exempt subcontract, including this paragraph (iv).
 - (b) The terms used in this clause have the following meanings:
- (1) The term "Air Act" means the Clean Air Act, as amended (42 U.S.C. 1857 et seq., as amended by Public Law 91-604).
- (2) The term 'Water Act' means Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq., as amended by Public Law 92-500).
- (3) The term "clean air standards" means any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, or other requirements which are contained in, issued under, or otherwise adopted pursuant to the Air Act or Executive Order 11738, an applicable implementation plan as described in section 110(d) of the Clean Air Act (42 U.S.C. 1857c-5(d)), an approved implementation procedure or plan under section 111(c) or section 111(d), respectively, of the

Air Act (42 U.S.C. 1857c-6(c) or (d)), or an approved implementation procedure under section 112(d) of the Air Act (42 U.S.C. 1857c-7(d)).

- (4) The term "clean water standards" means any enforceable limitation, control, condition, prohibition, standard or other requirement which is promulgated pursuant to the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency or by a State under an approved program, as authorized by section 402 of the Water Act (33 U.S.C. 1342, or by a local government to ensure compliance with pre-treatment regulations as required by section 307 of the Water Act (33 U.S.C. 1317).
- (5) The term "compliance" means compliance with clean air or water standards. Compliance shall also mean compliance with a schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency, or an air or water pollution control agency, in accordance with the requirement of the Air Act or Water Act and regulations issued pursuant thereto.
- (6) The term "facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a contractor, subcontractor, to be utilized in the performance of a contract or subcontract. Where a location or site of operations contains or includes more than one building, plant, installation, or structure, the entire location or site shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are colocated in one geographical area.
- (7) The term "non-exempt contract or subcontract" means a contract or subcontract of more than \$100,000 which is not otherwise exempted pursuant to the EPA regulations implementing the Air Act and Water Act (40 CFR 15.5), as further implemented in DAR 1-2302.4 or in FPR 1-1.2302-4 (whichever is applicable) and the procedures of the Department awarding the contract. (DAR 7-103.29)

16. FEDERAL, STATE, AND LOCAL TAXES (1960 JUL)

- (a) As used throughout this clause, the term "contract date" means the date of this contract. As to additional supplies or services procured by modification of this contract, the term "contract date" means the date of such modification.
- (b) Except as may be otherwise provided in this contract, the contract price includes, to the extent allocable to this contract, all Federal, State, and local taxes which, on the contract date:
- (i) by Constitution, statute, or ordinance, are applicable to transactions covered by this contract, or to property or interests in property; or

(ii) pursuant to written ruling or regulation, the authority charged with administering any such tax is assessing or applying to, and is not granting or honoring an exemption for, a Contractor under this kind of contract, or the transactions covered by this contract, or property or interests in property. Except as may be otherwise provided in this contract, duties in effect on the contract date are included in the contract price to the extent allocable to this contract. (d)(1)If the Contractor is required to pay or bear the burden of any tax or duty which either was not to be included in (i) the contract price pursuant to the requirements of paragraphs (b) and (c), or of a tax or duty specifically excluded from the contract price by provision of this contract; (ii) of an increase in rate of any tax or duty, whether or not such tax or duty was excluded from the contract price; or (iii) of any interest or penalty on any tax or duty referred to in (i) or (ii) above; the contract price shall be increased by the amount of such tax, duty, interest, or penalty allocable to this contract; provided, that the Contractor warrants in writing that no amount of such tax, duty, or rate increase was included in the contract price as a contingency reserve or otherwise; and provided further, that liability for such tax, duty, rate increase, interest, or penalty was not incurred through the fault or negligence of the Contractor or his failure to follow instructions of the Contracting Officer. (2) If the Contractor is not required to pay or bear the burden, or obtains a refund or drawback, in whole or part, of any tax, duty, interest, or penalty which: (i) was to be included in the contract price pursuant to the requirements of paragraphs (b) and (c); was included in the contract; or (ii)(iii) was the basis of an increase in the contract price; the contract price shall be decreased by the amount of such relief, refund, or drawback shall be paid to the Government, as directed by the Contracting Officer. The contract price also shall be similarly decreased if the Contractor, through his fault or negligence or his failure to follow instructions of the Contracting Officer, is required to pay or bear the burden, or does not obtain a refund or drawback of any such tax, duty, interest, or penalty. Interest paid or credited to the Contractor incident to a refund of taxes shall inure to the benefit of the Government to the extent that such interest was earned after the Contractor was paid or reimbursed 14 of 17

by the Government for such taxes. (3) Invoices or vouchers covering any adjustment of the contract price pursuant to this paragraph (d) shall set forth the amount thereof as a separate item and shall identify the particular tax or duty involved. (4) This paragraph (d) shall not be applicable to social security taxes; income and franchise taxes, other than those levied on or measured by (i) sales or receipts from sales, or (ii) the Contractor's possession of interest in, or use of property, title to which is in the Government; excess profits taxes; capital stock taxes; unemployment compensation taxes; or property taxes, other than such property taxes, allocable to this contract, or are assessed either on completed supplies covered by this contract or on the Contractor's possession of, interest in, or use of property, title to which is in the Government. (5) No adjustment of less than \$100 is required to be made in the contract price pursuant to this paragraph (d). (e) Unless there does not exist any reasonable basis to sustain an exemption, the Government upon request of the Contractor, without further liability, agrees, except as otherwise provided in this contract, to furnish evidence appropriate to establish exemption from any tax which the Contractor warrants in writing was excluded from the contract price. addition, the Contracting Officer may furnish evidence appropriate to establish exemption from any tax that may, pursuant to this clause, give rise to either an increase or decrease in the contract price. Except as otherwise provided in this contract, evidence appropriate to establish exemption from duties will be furnished only at the discretion of the Contracting Officer. (f)(1) The Contractor shall promptly notify the Contracting Officer of all matters pertaining to Federal, State, and local taxes, and duties, that reasonably may be expected to result in either an increase or decrease in the contract price. (2) Whenever an increase or decrease in the contract price may be required under this clause, the Contractor shall take action as directed by the Contracting Officer, and the contract price shall be equitably adjusted to cover the costs of such action, including any interest, penalty, and reasonable attorneys' fees. (DAR 7-103.10(b)) 17. AUDIT BY DEPARTMENT OF DEFENSE (1975 JUN) (a) General. The Contracting Officer or his representative shall have the audit and inspection rights described in the applicable paragraphs (b), (c) and (d) below. (b) Examination of Costs. If this is a cost reimbursement type, incentive, time and materials, labor hour, or price redeterminable contract, 15 of 17

or any combination thereof, the Contractor shall maintain, and the Contracting Officer or his representatives shall have the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this contract. Such right of examination shall include inspection at all reasonable times of the Contractor's plants, or such parts thereof, as may be engaged in the performance of this contract.

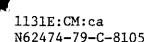
- (c) Cost or Pricing Data. If the Contractor submitted cost or pricing data in connection with the pricing of this contract or any change or modification thereto, unless such pricing was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulations, the Contracting Officer or his representatives who are employees of the United States Government shall have the right to examine all books, records, documents and other data of the Contractor related to the negotiation, pricing or performance of such contract, change or mdofication, for the purpose of evaluating the accuracy, completeness and currency of the cost of pricing data submitted. Additionally, in the case of pricing any change or modification exceeding \$100,000 to formally advertised contracts, the Comptroller General of the United States or his representatives who are employees of the United States Government shall have such rights. The right of examination shall extend to all documents necessary to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.
- (d) Reports. If the Contractor is required to furnish Cost Information Reports (CIR) or Contract Fund Status Reports (CFSR), the Contracting Officer or his representatives shall have the right to examine books, records, documents, and supporting materials, for the purpose of evaluating (i) the effectiveness of the Contractor's policies and procedures to produce data compatible with the objectives of these reports, and (ii) the data reported.
- (e) Availability. The materials described in (b), (c) and (d) above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit, or reproduction, until the expiration of three years from the date of final payment under this contract or such lesser time specified in Appendix M of the Armed Services Procurement Regulation, and for such longer period, if any, as is required by applicable statute, or by other clauses of this contract, or by (1) and (2) below:
- (1) If this contract is completed or partially terminated, the records relating to the work terminated shall be made available for a period of three years from the date of any resulting final settlement.

- (2) Records which relate to appeals under the "Disputes" clause of this contract, or litigation or the settlement of claims arising out of the performance of this contract, shall be made available until such appeals, litigation, or claims have been disposed of.
- (f) The Contractor shall insert a clause containing all the provisions of this clause, including this paragraph (f), in all subcontracts exceeding \$10,000 hereunder, except altered as necessary for proper identification of the contracting parties and the Contracting Officer under the Government prime contract. (DAR 7-104.41)

18. PAYMENT OF INTEREST ON CONTRACTORS' CLAIMS (1976 JUL)

- (a) If an appeal is filed by the Contractor from final decision of the Contracting Officer under the DISPUTES clause of this contract, denying a claim arising under the contract, simple interest on the amount of the claim finally determined owed by the Government shall be payable to the Contractor. Such interest shall be at the rate established by the Secretary of the Treasury pursuant to Public Law 92-41, 85 STAT 97, from the date the Contractor furnishes to the Contracting Officer his written appeal under the DISPUTES clause of this contract, to the date of (i) a final judgment by a court of competent jurisdiction, or (ii) mailing to the Contractor of a supplemental agreement for execution either confirming completed negotiations between the parties or carrying out a decision of a board of contract appeals.
- (b) Notwithstanding (a) above, (i) interest shall be applied only from the date payment was due, if such date is later than the filing of appeal; and (ii) interest shall not be paid for any period of time that the Contracting Officer determines the Contractor has unduly delayed in pursuing his remedies before a board of contract appeals or a court of competent jurisdiction. (DAR 7-194.82)

location: Puget Sound Naval Shipyard Bremerton, Washington



MEMORANDUM OF NEGOTIATION

(a) Requirement. The refuse disposal requirements for the Puget Sound Naval Shipyard, Bremerton, Washington are estimated as follows:

Industrial Trash	90,000 cubic yards annually
Domestic Type Garbage	2,400 cubic yards annually
Timbers, Logs, Lumber	9,600 cubic yards annually
Sawdust	6,000 cubic yards annually
Asbestos	12,000 cubic yards annually

- (b) Service. The present Puget Sound Naval Shipyard, Bremerton competitive bid contract N62474-77-C-6987 provides for the disposal of refuse by the Government at the Kitsap County Sanitary Landfill, Inc. site. It has been ascertained through competitive bid that Kitsap County Sanitary Landfill, Inc. operates the only conforming landfill sites within Kitsap County. It was therefore determined that a contract would be negotiated with the present Contractor, Kitsap County Sanitary Landfill, Inc.
- (c) Competition. Kitsap County Sanitary Landfill, Inc. presently operates the only conforming dumping sites in Kitsap County.
- (d) Rates. The rates for this service are the lowest rates available to all other users under like or similar conditions of service.
- (e) Term. The proposed contract is one that will continue in effect until terminated at the option of the Government by the giving of 30 days notice.

CONCLUSION

- (a) That the rates as proposed are fair and reasonable;
- (b) That the rates are the lowest available;
- (c) That the contract is for refuse dumping;
- (d) That competition is impracticable;
- (e) That the service is required and no formal advertising is necessary;

1 4 SEP 1975

Date

Naval Facilities Engineering Command

Contracting Officer

1131E:CM:ca N62474-79-C-8105

6 AUG 1979

Kitsap County Sanitary Landfill, Inc. P. O. Box 438
Bremerton, Washington 98310

Attention: Mr. Donald G. Lindgren

Gentlemen:

The Government is desirous of obtaining a proposal for the Puget Sound Naval Shipyard, Bremerton to dump refuse, transported in Government owned vehicles by Navy personnel to your dump site. As you are aware, the present Government contract for the dumping of refuse expired on 22 May 1979 and has been extended through 22 August 1979.

It is therefore requested that a proposal be submitted, at no cost to the Government, for the dumping of refuse at your landfill site as outlined in the enclosed proposed Contract N62474-79-C-8105.

If you find the enclosed proposal to be satisfactory, please execute and return the original and two signed copies of the contract to:

Commanding Officer (Code 113)
Western Division
Naval Facilities Engineering Command
P. O. Box 727
San Bruno, California 94066

It is suggested that you retain a copy of the proposed contract for your interim reference. Upon execution by the Government a fully signed copy of the contract will be mailed to you. Should you have any questions regarding this request, please feel free to contact Mrs. Catherine Morris at the above address or by telephone at (415) 877-7502.

Sincerely,

SUKEO OJI, P.E. Head Commercial Utilities Branch

Encl:

(1) Proposed Contract N62474-79-C-8105 (Orig and 3 copies)

13/4 XIII



DEPARTMENT OF THE NAVY PUGET SOUND NAVAL SHIPYARD BREMERTON, WASHINGTON 98314



IN REPLY REFER TO

421:JW:1c

26 JUL 1979

From:

Commander, Puget Sound Naval Shipyard

To:

Commanding Officer, Western Division, Naval Facilities Engineering

Command

Subj:

Refuse Disposal Service Contract; negotiated type

Ref:

(a) Fonecon betwn WESTNAVFACENGCOM Code 113.1E, Kay Morris, and

NAVSHIPYD PUGET Code 421, Jim Williamson of 17 July 1979

Encl: (1) Refuse Disposal Service Contract

- 1. It is requested that WESTNAVFACENGCOM prepare specifications and negotiate a utility type contract with Kitsap County Sanitary Landfill Company as discussed during reference (a). The rough draft of the subject specifications is forwarded as enclosure (l). The special clause and technical sections have been reviewed by the Legal Officer at Puget Sound Naval Shipyard. If changes are found to be necessary, it is requested that Puget Sound Naval Shipyard have the opportunity to review before proceeding with the formal contract.
- 2. The present contract #N62474-77-C-6987 expired 22 May 1979 and has been extended through 22 August 1979.

J. A. WESTCOTT By direction

Copy to: ROICC, Northwest Area.

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#### OFFICER-IN-CHARGE OF CONSTRUCTION NAVAL FACILITIES ENGINEERING COMMAND CONTRACTS, WESTERN BLDG. 506-PUGET SOUND NAVAL SHIPYARD BREMERTON, WASHINGTON 98314

IN REPLY REFER TO: CEV:bb N62474-79-C-0103 Ser: 1069 16 May 1979

From: Officer in Charge of Construction, Bremerton

To: Commander, Naval Facilities Engineering Command, Alexandria,

Virginia (Attn: Code 021)

Commanding Officer, Western Division, Naval Facilities Via:

Engineering Command, San Bruno, California (Attn: Code 021)

Contract N62474-79-C-0103, Refuse Disposal Service for Puget Subj: Sound Naval Shipyard, Bremerton, Washington; sole source

negotiation, request for

Ref: (a) Fonecon between H. Lyle, WDIV 021 and C. Vidal, ROICC NW Area on 14 May 1979

(b) P-68, Contracting Manual, 5-104.2

- The subject services consist of disposal of all refuse by the contractor after it has been delivered by the Government onto the contractor's disposal site. Types of refuse specified are industrial trash, domestic-type garbage, timber, logs, lumber, sawdust and special requirements for disposal of asbestos waste.
- 2. This will be an open-end requirements contract. The Government Estimate for the coming year is \$60,000.00 to \$65,000.00. A unit price will be established for Refuse Disposal Service per cubic yard and Refuse Disposal Service for asbestos per cubic yard.
- The company of Brem-Air Disposal, Inc. received the contract each year from March 1973 through May 1977 at which time they reorganized into two companies and have held the contract as Kitsap County Sanitary Landfill Inc. from May 1977 up to the present. Repeated attempts at competitive bidding have not resulted in any other bids being received. At present WDIV Utilities Branch is establishing a utilities contract with Kitsap County Sanitary Landfill Inc. for Submarine Base Bangor. Due to the Shipyard's special requirements for disposal of asbestos and the time frame involved the Public Works Officer and Officer in Charge of Construction at Puget Sound Naval Shipyard prefers to go with a separate contract this year and to explore the future prospects of a utilities contract.

CEV:bb N62474-79-C-0103 Ser: 1069

Ser: 1069 16 May 1979

4. It is felt that if allowed to go sole source negotiation, the Government will be able to obtain a better unit price versus competitive bid from the contractor which is not subject to reduction. Per reference (a) and in accordance with reference (b), approval is requested for authority to negotiate under 10 U.S.C. 2304(a)(10) The current contract is being extended and will expire on 22 June 1979, your attention in this matter will be appreciated.

H. R. FRAUENFELDER

By direction

Copy to:

PSNS: 400, 421